U.S. ENVIRONMENTAL PROTECTION AGENCY

WISCONSIN DEPARTMENT OF NATURAL RESOURCES

PROPOSED PLAN PUBLIC MEETING

ASHLAND/NORTHERN STATES POWER LAKEFRONT SITE

June 29, 2009, 7:00 p.m.

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A PUBLIC MEETING FOR THE

ASHLAND/NSP LAKEFRONT SUPERFUND SITE

TAKEN AT: NORTHERN GREAT LAKES VISITOR CENTER

29270 COUNTY HWY. G

ASHLAND, WISCONSIN 54806

ORIGINAL

TUESDAY, JUNE 29, 2009

7:00 p.m. to 8:20 p.m.

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APPEARANCES:

MS. PATTI KRAUSE, EPA Community Involvement Coordinator, Environmental Protection Agency, 77 W. Jackson Blvd., Chicago, IL 60604.

MR. SCOTT HANSEN, EPA Remedial Project Manager, Environmental Protection Agency, 77 W. Jackson Blvd., Chicago, IL 60604.

MR. CRAIG MELODIA, Regional Counsel for U.S. Environmental Protection Agency.

Mr. JOHN ROBINSON, Northern Region Team Supervisor, Wisconsin Department of Natural Resources, 107 Sutliff Avenue, Rhinelander, WI 54501.

MR. HENRY NEHLS-LOWE, Wisconsin Department of Health, 1 W. Wilson Street, Madison, WI 53702.

MR. JAMIE DUNN, Project Manager, Wisconsin Department of Natural Resources, 810 W. Maple Street, Spooner, WI 54801.

MS. CONNIE ANTONUK, Wisconsin Department of Natural Resources.

MR. JOHN KOSLOWSKI, Wisconsin Department of Natural Resources.

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SPEAKERS PRESENTING PUBLIC COMMENTS:

MR. DAVE SORENSON, Citizens of Ashland

MR. LOWELL MILLER, Former Mayor of City of Ashland

MR. DAVE MARTINSON, Ashland Business Alliance

MS. SANDRA DUNNE, Self and League of Women Voters

MR. ED MONROE, Mayor of City of Ashland

MR. DAVID DONOVAN, Northern States Power, Wisconsin

MR. DAVE TRAINOR, Xcel Energy (d/b/a NSPW)

MR. DEAN STOCKWELL, URS Corporation

MR. HUBERT HULS, URS Corporation

MR. FRANK KELLOGG, DCI Environmental

MR. LARRY MILNER, Seversen Environmental

MR. MIKE CRYSTAL, Burns & McDonnell

(Tuesday, June 29, 2009, 7:00 p.m.,
Northern Great Lakes Visitor Center.)

MS. PATTI KRAUSE: Thank you for coming out tonight, and we look forward to presenting and also to hearing from you. Scott Hansen, Craig Melodia, and Patti Krause, that's me, are here from the U.S. Environmental Protection Agency. Scott is EPA project manager for the Ashland Site; Craig Melodia is the attorney for the site; and I work as a community contact.

Jamie Dunn, John Robinson -- there he is, okay. There is Jamie and John Robinson. Connie Antonuk -- Connie is back on the side, and John Koslowski are here -- there you are, John. They are all here from the Wisconsin DNR. Also here is Henry Nehls-Lowe from the Wisconsin Department of Health.

The purpose of this meeting is for EPA to present the recommended cleanup plan for the Ashland site and to give you an opportunity to comment on the plan. If you have not signed up to make comments, please do so. We have sign-in sheets back there, and then during the meeting if you decide that you would like to make a comment, just let me know and I will get you a sheet. So

we want everyone to have a chance. The transcriber is here to take your comments. And now just a little background.

The public comment period runs for 30 days. It started on June 17; it ends on July 16. You have a number of ways to make comments. You can do so here at the meeting. You can fill out a form of the Proposed Plan Fact Sheet. We have extra copies of the form. There is something online, or you can send an E-mail.

At the end of the comment period, EPA will prepare a written summary of significant comments, criticism, and any new relevant information given, along with EPA's response to each issue. This is called -- this is called a Responsiveness Summary.

Based on the new information presented in the comments, EPA, in consultation with the Wisconsin DNR, may modify these proposed plans or select another cleanup option outlined in the plan. The Responsiveness Summary will be made available with the record of decision that describes the final cleanup plan.

Now Scott is going to explain the cleanup plan, but before so, John Robinson with

the Wisconsin DNR is going to summarize the resent outreach efforts done in the community.

So, John?

MR. JOHN ROBINSON: Thank you, Patti, and thank all of you for your interest and participation tonight. The Department's role on the site began in 1989 when there was an observation of contaminated material when the city was trying to expand the Wastewater Treatment Plant. And about that time, Jamie Dunn, our current project manager, became involved in it, and the state's role took off in 1992 when we began the state planning investigation.

Throughout that process, we have been able to work with a large number of groups in the community, initially through the League of Women Voters to have a number of public meetings to talk about the state's Remedial Investigation Feasibility Study, and in 2003 with a petition to list this on the National Priorities List, the league changed from a state league to an EPA league. And our role changed in the department from one of technical leadership to one of where we led the outreach efforts, while we continued

to provide technical assistance.

In 2004, a Community Involvement Plan was developed after seeking input from the citizens on how we could best go about providing information to the citizenry.

In 2005, we had availability sessions to talk about where we were with the project, and also we had a Superfund 101 Program for the community where we explained the superfund process and gave people a baseline understanding of the process.

About that same time we formed a state coalition group comprised of people like Terry Komalich from the Health Department, Henry Nehls-Lowe from Department of Health Services, the City was represented through the mayor and then the administrator, NSP through Dave, Don, Mike BeBeau, and others.

We also had the League of Women Voters with Mary Fetrich -- excuse me, the League of Women Voters with Betty Harnisch, and the Chamber of Commerce with Mary Fetrich, and tribal representatives, as well as Sigurd Olson providing input on how we can best get the word out to the community.

In 2007 we had a couple of hearings; one on remedial investigation, sharing the results of the investigation regarding the extent of the contamination. In October we also had a community workshop asking the community what they thought was important to them -- at that time the direction of the site.

And they came back with the thought: They wanted a timely response; do it right the first time, and try to maximize the potential result to the waterfront in the future.

In 2008, in November of last year, we had a formal public hearing on the feasibility study. Also last fall, the City of Ashland, Northern States Power, and the DNR entered into a collaborative agreement, agreeing to work together in a cost effective manner following the Superfund process, but develop a plan to try to work together in an effort to try to coordinate and collaborate while we implement the cleanup, as well as try to implement the City's Waterfront Development Plan.

This year we had the mailing on the proposed plan which EPA sent out. We have had four informational meetings to date, one with Bad

River on the 16th; the 17th, we had a meeting here for the community. Last week we met with the Red Cliff Tribe, and we also had a meeting for the neighbors, all in an effort to try and get the word out on what the proposed plan embodied and to prepare for tonight's meeting.

Tonight is an opportunity for you as a community to provide input into the process. There are two areas where threshold criteria -- or criteria the EPA will be evaluating before it makes a final decision, a record decision, and those two remaining criteria are community acceptance and state acceptance. Based upon comments that are given tonight, the state will be forwarding final comments to EPA prior to the 16th. Along with the comments that we provided to date, we are in general support of the proposed remedy, but also want to hear from people tonight.

We appreciate the opportunity to work with EPA, and it has been a very strong partnership and we appreciate Scott and Patti and Craig's efforts to involve the State of Wisconsin in those. And we have had a number of people, Wayne Lahti, who is retired and is here tonight;

Nancy Larson, our Water Basin Leader. Jamie, Connie Antonuk, John Koslowski, and Chris Saari, and others that have played an important role in getting us to tonight.

But the purpose of tonight is to hear from the citizens first on what their plans are or thoughts are on the proposed plan, for them to comment on the plan. We would encourage people that want to testify or provide input tonight to fill out the sheet. And if you are not inclined to come up before a crowd, there are forms where you can provide written comments to EPA in the back of the room. We would hope that you would take advantage of both of those opportunities and provide us with your thoughts and comments.

And, again, we're hopping to have citizens first, and then as time permits, open it up to the consultants that are there in attendance.

We thank you very much for your long and continued interest in this project. We look forward to continuing those efforts into the future and working with EPA and the community and the State Holder Group to try to develop a process where we will continue to involve the

community in the project, providing updates on where the project is, as well as to lessen the concerns you may have during various aspects of the project into the future.

MS. PATTI KRAUSE: Scott Hansen is going to be explaining the cleanup plan, if I can get back onto his computer here. All right.

So here he is, Scott Hansen.

MR. SCOTT HANSEN: Thank you, Patti. I want to thank everyone for coming out tonight. Again, my name is Scott Hansen.

Jamie, do you want to dim those lights a little bit? Thanks.

As Patti pointed out, I am here to -- I am here to give a brief summary of the proposed plan that came out a few weeks ago. It is, like I said, if some of you are here for the information sessions we have had the past couple of weeks, it is similar to that, so it shouldn't be that along.

As we pointed out before, the recommended option has four main areas of the site that we are going to deal with. The Upper Bluff/Filled Ravine, Kreher Park. I will say this for Jamie. Jamie says it is not actually

Kreher Park, but he named it that, so it stuck. Anyway, the area is down where the Wastewater Treatment Plant is. The Chequamegon Bay sediment, and the other area is the Copper Falls Aquifer.

The recommended option for the Upper Bluff/Filled Ravine for the soil, is to dig up and thermally treat the most contaminated soil with limited removal and thermal treatment. If by chance the thermal treatment is not cost effective, then the recommended option would be off-site disposal; estimated cost of $6.8 million.

The recommended option for the Upper Bluff/Filled Ravine and Kreher Park for ground water is to use a surface barrier for the filled ravine and then part of Kreher Park, which is basically like a cap over the area to control any water infiltration and also install vertical barriers; for example, sheet pile for shallow ground water for migrating. Estimated cost is the $9.2 million.

The recommended option for the Copper Falls deep aquifer, which is located underneath the filled ravine and Kreher Park area, is to add

additional extraction wells to possibly speed up the ground water cleanup in that area, and also there is an option to possibly treat the ground water in place to help enhance the cleanup. This has an estimated cost of $6.4 million.

The recommended option in the Chequamegon Bay for the sediment is to remove the near shore sediment and wood debris through dry excavation, and the remaining off-shore contaminated sediment and wood debris would be dredged. It would be treated or disposed of off-site. The estimated cost is $68.5 to $80.4 million.

There was a number of options that we looked at -- there was quite a few, but here is a list of some of the options that we also looked at for the soil. In Superfunds, we usually have to look for -- we also like to know the, "no further action," like we aren't going to do anything. We usually look at that, and we usually look at the Cadillac, which would be the whole thing and anything in between.

So "no further action" is probably the option that will be in the soil, ground water and sediment off, but we have that for all of our

Superfund sites. Containment we looked at. Also limited removal, which would be off-site or on-site disposal.

Off-site incineration we looked at, on-site soil washing, and in-place thermal treatment. We also looked at unlimited removal, which is to dig the whole thing up with off-site or on-site disposal and in-place thermal treatment also.

For ground water, of course, we looked at no further action, the use of extraction wells to remove underground pockets of tar and other materials, and also treat in place for the options we looked at for ground water.

And sediment, no further action, contain the sediment in a confined disposal facility, which was one of the options we looked at. Cap it, dredge the bay, or excavate the sediment from the bay.

The nine criteria is the criteria we looked at to evaluate all of the alternatives. The first two, like I said, those are the threshold criteria. Those are the ones you need to meet. Those are protection of human health and the environment and comply with federal and

state laws.

The next criteria there is, I think there is -- I have to count here, I guess five. Those three are the bouncing criteria we look at technically whether the remedy is effective in the long-term, whether it reduces the harmful effects, movement, and the amount of contaminants through treatment, whether it is effective in the short-term, and whether you are able to implement, and also cost.

The last two as John pointed out, John Robinson pointed out, the last two we deal with after the public comment period, that's the state acceptance and community acceptance.

The main contaminants of concern are free product and non-aqueous phase liquids on site, which are underground pockets of tar that usually don't mix with water. The main ones are the PAHs, or polycyclic aromatic hydrocarbons. The main one of those prevalent is napthalene and also volatile organic compounds, benzene is the most prevalent at the site.

What's next? We respond to comments. As John pointed out, we respond to the comments and that is part of the decision document, the

record of decision, but now that we're slated for the end of September to have that complete. After that, we usually sign a legal agreement to do the cleanup. That's estimated to start around the spring of 2010. Begin cleanup design, that's the summer of 2010.

There has been talk that we might use some pilot studies just to determine what would work out here. Those are to start probably in the summer of 2010 and begin cleanup in 2011.

The comment period. Like I said, all of the documents that we have basically been working on, finishing up and working on for the last few years are all for review at the repositories or online for you to look at. We have a web page, the EPA also has all of those documents available on there. Like I said, submit the written comments via E-Mail, by mail, and by fax by July 16, 2009.

Questions? We're going to have just a short question and answer if anybody has anything, and then we will get into the comment portion of it.

MS. PATTI KRAUSE: Does anybody have questions?

MS. SANDRA DUNNE: Yes. I just --

MS. PATTI KRAUSE: Okay. And please state your name.

MS. SANDRA DUNNE: Sandra Dunne. Well, if this is costing us a hundred million to do and there are at least a hundred thousand NSP, Xcel Energy people paying for it, isn't that about a hundred dollars a person -- or is my math screwy here?

MR. SCOTT HANSEN: A thousand.

MS. SANDRA DUNNE: A thousand dollars a person over what, a six-year period?

MR. SCOTT HANSEN: Yeah. I mean, I don't know how the dynamics of how NSPW/Xcel, how they figure that out, how they have to go through -- what is that?

MR. JOHN ROBINSON: The State Public Service Commission has the rate payer process that Xcel can submit a claim for, but honestly that's not EPA's process, so I can't speak to how it works or how much it costs. That's something the Public Service Commission handles.

MS. SANDRA DUNNE: But doesn't Xcel/NSP know what they are going to get? I mean we are already paying for other sites that have been

cleaned up around the state as an Xcel payer.

Did they all disappear; NSP people?

MR. SCOTT HANSEN: They are here somewhere. I mean, they can probably explain it better than I can. Our process, we don't deal with the whole commission and how they figure up the cost and how it gets to the rate payer.

MS. SANDRA DUNNE: But I think that's going to be one of the things that people are going to be concerned about.

MR. SCOTT HANSEN: Oh, sure.

MS. SANDRA DUNNE: Whether they do it right or don't, is the cost.

MR. SCOTT HANSEN: Right.

MS. SANDRA DUNNE: And to me, we have to do it right.

MR. SCOTT HANSEN: I agree. It is going to be part of it, there is no doubt about that. The rate payer thing is going to be part -- how Xcel does that, that is not going to be part of the EPA and how we are going to clean up the site. But how Xcel deals with it with the rate payers, that is going to be part of it I am sure.

As for how, I don't know. I mean that's up to the Commission, I guess.

MR. CRAIG MELODIA: Scott mentioned that costs are a -- I am sorry, this is Craig Melodia. I am with the USEPA, Regional Counsel.

Costs are a factor; however, the cost that EPA considers in selecting a remedy is the capital cost of construction, plus the long-term operation maintenance. Now how those costs, and if those costs are passed along to the rate payers, that's not part of the USEPA Superfund process. So if Xcel chooses to make a claim for the rate payer increase, that's handled through the Public Service Commission.

So in terms of the selection of a cleanup plan, our costs consider the costs of construction, capital costs, and long-term operation and maintenance.

Does that make sense?

MS. SANDRA DUNNE: Yes, it makes sense. My concern is that if people are against this plan, they will be against the plan because it is going to cost them, personally, money.

MR. CRAIG MELODIA: Right.

MS. SANDRA DUNNE: And that to me is not how the plan should be chosen in any way, shape, or form. And I just wanted to get that out in

the open here, because I don't think that's how we want to take care of the Great Lakes, our aquifer, and sediment.

MR. CRAIG MELODIA: Okay.

MS. PATTI KRAUSE: Any questions? And you can make that as a public comment, too. Anymore questions?

THE AUDIENCE: (No Response.)

MS. PATTI KRAUSE: Okay. Now the public comment period starts, the comment time. There are some ground rules for public comment, and one of them is that everyone who wants to comment will get a chance. We want one speaker at a time. We hope that you will spell your name, give your name and spell it for our court reporter, because she is here taking everything down.

I don't know how many people are going to comment on our comment list, but we ask you to keep it at the maximum five minutes so everybody gets a chance. We do have a time limit here tonight. Okay?

So what I will do is I will have everyone who signed up, I will call your name, and I have a microphone, and you can speak and

give your comments, and then we will go onto the next person.

Now while this is going on, if you think: Gee, I would like to make a comment -- please we have forms to fill out. Fill it out and you will all have a chance.

Our first speaker is Dave Sorenson. Do you want to come up here, Dave?

MR. DAVE SORENSON: My name is Dave Sorenson, S-O-R-E-N-S-O-N. I am a citizen of Ashland, and my concern is first of all, as a resident of Ashland, I am concerned with the economic welfare of our community, and the influx of $97 million into our community cannot do anything but make everybody in this community happy and I look forward to that.

My concern is -- just like the lady addressed shortly -- my concern is two-fold. One, the EPA, the people involved with this project keep calling it a Superfund when, in fact, there is absolutely no superfund going into pay for it when the new construction starts on this project. The project is going to be paid for by me as a member of the natural gas users of Xcel Energy or NSP, whichever you want to call

it.

My concern is, is that if we are going to proceed with this project, No. 1, let's call it what it is -- a Consumer of Xcel Energy Superfund, not a Superfund from the federal government who are contributing nothing.

Secondly, a gentleman from the Town of Gingles said as we were coming in here, he said: We need to clean this up and somebody has to pay for it.

My question then regards: Why am I the one that has to pay for it because I am a natural gas user, and the gentleman from the Town of Gingles doesn't have to pay, nor anybody else who is not on natural gas?

The federal government is spending trillions of dollars to create jobs. I ask a simple question: Why in their wisdom would the EPA working for the federal government, the Wisconsin Department of Natural Resources with their influence in the federal government, why in fact would just myself, a natural gas user, have to pay for it? Why can we not get some of that federal money to help us?

And on a second phase, why cannot

everybody in the country pay for this; why only natural gas users? It is going to cause a hardship in our community for people on natural gas that have to see their rates increase, when the person alongside of them that has propane and doesn't pay anything.

That's my comment, and I wish you would take it in. Again, I welcome the $97 million into our community, but I don't want to be the only one paying for it. Thank you.

MS. PATTI KRAUSE: Lowell Miller.

MR. LOWELL MILLER: Oh, you didn't have many people sign up. Okay.

I was the mayor of Ashland from October of 1993 until April of 2002, which was the time period during which most of this problem surfaced and it was identified. This is not my first dance at this thing. I have had numerous meetings with Jamie Dunn and people from Xcel Energy and others from the DNR. I think I even had a visit from the EPA one day.

In the time that I was mayor, I became pretty familiar with some of the economic hardships that are faced by many of our local citizens, much more so in this part of Wisconsin

than elsewhere in our country. And I can tell you that if you unload a hundred million dollars on the shoulders of those people in terms of increased rates, it is going to be a big hardship. So I would ask that you would find something less expensive than that kind of money. That's huge.

Now I know that area pretty well. I walk my dog there every day. And I am not an engineer, but I do understand this region, and I do understand the people that live here. That's alot of money, and I think you need to look for something less expensive than what you are recommending.

As Mr. Sorenson said, there is no Superfund site. We knew that when the EPA came into this thing on a petition from somebody that doesn't even live in our town. Okay?

And we also found out that from the time of first identification, it takes 20 years for the average cleanup, and that's what this is going to be. We are totaling about $100 million. That doesn't include the money that's already been spent. All of those funds are going to be passed onto you, the local residents.

Now some of us can afford it. I frankly think that I probably could, but I do know, there are many people here in our town or in this area who are living on Social Security, trying to get by on just a few hundred bucks a month, and that's pretty tough. Now Xcel Energy will spread this across their drawing area -- I am sure this is not just local here, but we will have our share of it.

So that's my comment. I think you need to look as hard as you can to find something relatively affordable. Thank you.

MS. PATTI KRAUSE: Dave Martinson.

Why don't you state your name and your address?

MR. DAVE MARTINSON: Dave Martinson, 1200 Chapple. I will keep my comments really brief. The last meeting that we were at I mentioned the fact, and I it is on the cost factor. I talked about the wet bridge to the dry bridge, and we're talking about somewhere between $11 million to -- by my calculations, $19 million. And the way it seemed to me and with everything I read, is that we get the same, we get the same findings or the same finished

product out of that.

And speaking of costs, that's where I had concerns because we were kind of throwing money across the board there on some of those things, and I thought the wet bridge would be alot more, would be alot more reasonable to do than that dry bridge. Thanks.

MS. PATTI KRAUSE: Thank you. Sandra Dunne?

MS. SANDRA DUNNE: Protecting the Great Lakes and protecting our ground water is in the best interests of all of us locally and of our country. The Great Lakes are a treasure. And for us to not do our best and do what is going to last, do it once and do it right, to me is worth a few dollars here and there.

I really support the EPA cleanup plan. My husband supports it, and we will certainly -- Betty Harnisch, the head of the League of Women Voters is under duress, but she will certainly have a letter in from the local League of Women Voters who has supported the cleanup site from the beginning.

And as I said, let's do it right, let's do it once, and we are already paying on our Xcel

bills for other cleanup sites, and I don't think you can identify your dollar here and your dollar there, et cetera. And so caulk your windows and doors, and get your house a little warmer by doing what you should be doing, you know, little plastic on the windows, whatever you need.

Thank you.

MS. PATTI KRAUSE: Thank you. Ed Monroe?

MR. ED MONROE: Yes.

MS. PATTI KRAUSE: Please state your name.

MR. ED MONROE: Good evening. I am Ed Monroe, and I am the present mayor of the City of Ashland. And I watched this evolve from the time that Lowell mentioned back when it was first brought up, and I saw some of the plans proposed at the time, and quite frankly, the quick fix that everybody was rushing to embrace was how they could cover it up and cap it off and seal it for all of eternity.

For me that's not an acceptable way to deal with a poison like that, with materials that are out there. I want it out of there. I want every bit that you can get out of there, out of

there -- just get it out of there.

I have watched friends and relatives in my lifetime and I think, I think that an extraordinary rate develop serious illnesses and cancers and pass away, especially when you get into the vicinity in that part of town.

In the back of my mind, I can't say that there is a scientific research to verify it, but I think it all goes back and is somewhat related. I want the stuff out of there. The cost, of course, the cost is very, very expensive, and the fact that I heard, time and again, it proposed that Xcel Energy expects only that Wisconsin national gas rate payers to support this, I believe that's their dream and not one in reality.

In one of these meetings, we did have people from the Public Service Commission come up here and address what's reasonable and what's not reasonable. What's not reasonable is putting a hundred million dollars on the backs of the natural gas rate payers for the State of Wisconsin.

I also heard badgered around, and I am fully in support of dumping a good portion of

this cleanup bill, wherever it ends up shaking out, on the stockholders of the company that is now the recipient of this Superfund site. That and the fact that I know there is a concerted effort to harness and to find federal dollars to help offset these costs.

However they come about it, I am fully supportive of what I see here and that's a comprehensive plan to get that stuff out of our lake, out of our water, and out of the ground so that we can reuse that part of our community again. And the dollars that we are going to find to get it is going to come from more pockets than just the rate payers.

I think that is just a fallacy -- I hear it bantered around, but I cannot believe that that is going to be dumped on just those rate payers. I think that's somebody's just pie-in-the-sky, so to speak. Those are my comments this evening. Thank you.

MS. PATTI KRAUSE: Thank you. David Donovan?

MR. DAVID DONOVAN: My name is David Donovan, D-O-N-O-V-A-N. I really want to start out by complimenting the EPA with their issuance

of the plan. Regardless of whether you agree with it or not, it is a milestone. We are finally moving the project forward. It is important for the company, as well as for the residents of the City of Ashland. It is certainly important to the EPA, and this is the first step in actually exhibiting some process or some success in the process. We are still in the process ourselves of fully evaluating the plan. I don't have any specific comments on the technical issues.

I will tell you that we will submit comments, written comments, to EPA by the July 16 deadline. Our comments will largely focus on a number of the issues that are in the prep itself, but regardless of what our comments are, they will be based on a series of principals that include whatever the remediation, the series of remediation alternatives that are selected that they are protective of the environment, that they are safe to the residents of the City of Ashland and to the people that are actually doing the remediation at the site, and that it is economically beneficial.

Cost is an important issue here and not

only whether you believe it is pie-in-the-sky or not. State policy dictates that right now only the natural gas customers will pay for the cost of the site. It is not that you can shift it to some other people. It is the responsibility of the natural gas customers.

We certainly want to be responsive to the concerns of the citizens that we heard last November, I think it was 2007. The citizens indicated that they wanted us to perform the actions correctly the first time.

We understand that, and we're trying to be responsive to that in our comments. We want to make sure that we minimize the destruction to the neighborhood and the city and the duration of that disruption. We don't want it to extend any longer than it possibly has to.

We want to make sure that the cleanup -- again, the series of cleanup alternatives, whatever they are, allows the city to implement its Lakefront Develop Plan to the maximum extent possible. Certainly what the city wants to do with this site is very important. Their future -- we realize their future is dependent at least to a great extent on the development of

that lakefront and what they plan to do with that lake frontage, and we want to be responsive to that.

And we also want to make sure that whatever the remediation alternatives are that are selected, that they are fair to our customers. That they do not -- that our customers do not have to pay for anything more than what they are responsible for through the previous actions of the manufactured gas plant site and contamination there.

Many of these comments are based on principals that have been contained and agreed to in what we're calling the framework document. The framework document was signed by the CEO of NSP Wisconsin, by the mayor of Ashland, and by the secretary of the DNR, and it lists out a whole series of potential alternatives, or opportunities, if you would, on how we can cooperate on the cleanup of this site.

We think that this is a perfect example of how you can discuss and resolve the issues related to mediation of the site. We would encourage the EPA to use that collaborative process as it works towards the issuance of its

record of decision later this year.

It is something that we are very proud of, it is something that we think works, it is something that we value, and it is something that we continue to support, and thank you.

MS. PATTI KRAUSE: Thank you. Dave Trainor?

MR. DAVE TRAINOR: Thank you. My name is Dave Trainor, and I am a consultant representing NSPW. I am going to discuss my comments to address the soil and ground water remedies that are recommended in the prep.

I am an environmental engineer and hydrogeologist. I have been working on the site since January of 1995, and in that time I gathered alot of information and worked closely with the agencies on developing this preliminary remedial action plan.

I am going to first of all talk about soil remediation alternatives and how they relate to ground water remediation alternatives. The ground water alternatives will actually be the larger part of this comment.

Now as Scott mentioned -- I will put this on better view -- Scott mentioned that the

soil and ground water remedial alternatives actually total about $20 million. For this, there are two locations where soil will be excavated where growth contaminated soil has been found.

This first area shows the coal tar dump, which is south of the POTW, which is outlined here in this "L" shaped figure on the form. The prep recommends that all contaminated soil above the wood waste layer, which underlies the soil to a depth of about four feet, which is saturated, should be excavated, thermally treated, and if that's not cost effective, disposed off-site.

This graphic shows the coal tar dump, the excavation areas in red, and then the cap that will be replaced after the excavation occurs is shown in light purple. We also show in dark purple down here, the existing cap that was installed in 2002 by NSP when the former seat was remediated. That cap will be incorporated into the proposed cap after excavation.

What the prep does also recommend is that an in-situ method be considered during design to remediate ground water after these excavation operations are complete, and that

would be either an ozone sparging system that will be designed to mobilize contaminants that will be collected through a pump and treatment system, or as an alternative, an in-situ chemical oxidation system that will be designed and installed in lieu of, or in place of an ozone sparging system.

It is our opinion that based upon these conditions, that we will recommend in our comments that in lieu of excavation and thermal treatment or off-site disposal and a long-term in-situ method of either ozone sparging or in-situ chemical oxidation, that a surface mixing using chemical oxidation should be used during excavation activities. This will remove contaminant mass in the shallow zone and also provide a long-term remediation for ground water in the deep ground water after the cap is replaced.

The second area where soil excavation activities are proposed is at the NSPW Service Center, which is where the ravine fill contains contaminated material and free product. This graphic shows the location of where these excavation areas will occur, south of St. Claire

Street, which is outlined in green, as well as the former pipe run that's north of St. Claire Street. What's shown in red is where the grossly contaminated soil will be excavated in depth and treated and, again, if that thermal treatment is not cost effective, will be hauled off-site for disposal.

As with Kreher Park, the prep does consider that a long-term ground water remedy for the shallow ground water be considered in the form of in-situ chemical oxidation or ozone sparging.

We would request that the EPA look at two issues associated with this excavation project, and that's the future use of the site, as well as the ground water remedy. The future use of the site is critical. As many of you know, NSPW is vacating this property and will be exiting the facility in 2010.

The proposal calls for demolishing the center portion of the building, linking the two wings, and then removal of all of these contaminated materials. Future use is critical, because depending on what happens with this site, if it is ever used for residential properties,

the fill that remains, that is not excavated or is treated and put back, will have to meet certain residential standards. That's one issue that we want the EPA to consider.

The second issue is the ground water remedy. After these are excavated and surface barriers installed, as shown in blue, the amount of ground water that will be generated in this fill will be minimized. Currently it flows down the ravine and it discharges into to Kreher Park. We understand that once the contaminant mass, the gross contaminated soil is removed, the majority of the contaminant mass will be excavated and then taken off-site or treated. A ground water remedy for the future fill is not needed and, therefore, because of what is going on with Kreher Park's remediation, we recommend that no further ground water remedy be considered for this shallow fill.

Now I am going to talk solely about ground water remedies. The plan that you see here shows the extent of free product in the deep Copper Falls Aquifer as Scott mentioned before. The Copper Falls Aquifer is completely separated from the upper fill.

The Kreher Park ground water and its sediments, because the Miller Creek Aquifer is a thick clay underlying all of Ashland and the lakefront, that clay aquifer provides confining conditions for this deep aquifer, as well as the artesian conditions measured at Kreher Park. There is no pathway for the deep contaminants to reach those shallow sediments or ground water units without some massive intervention.

This plan shows the free product extent below Miller Creek, as well as an existing pumping system that was installed by Xcel in 2000. What is shown in green are monitoring wells, and what's shown in red are the extraction wells. These three extraction wells that are here in the court yard at the NSPW Service Center are designed and are screened in the deep aquifer and are pumping free product from the deep aquifer.

This well shown here at the mouth of the ravine was installed in 2002 and added to the treatment system as a function of the seeper mediation. Let me just note one thing, that in nearly 10 years of operation, this free product removal system has removed approximately 11,000

gallons of product from the deep aquifer. In fact, let me give you a quick preview.

This is a cross section that's right to the ravine fill. The deep shading below the Miller Creek, this is a free product point, we estimate had anywhere from 150,000 to 200,000 gallons of product that are in that location. What we are recommending for -- what we recommend and what the -- well, let me back up.

What the prep recommends is that this treatment system should be expanded by several additional extraction wells to accelerate removal of ground water and free product from the deep aquifer. What we have looked at, and what we are going to comment on, is that instead of an expanded ground water pump and treatment system, we should focus the remediation in the deep aquifer on in-situ chemical oxidation as is mentioned in the prep.

We also understand that once the surface remediation units are remediated or excavated, we can remove this NW-4 well from the system without meeting the treatment capacity of the existing system. One or two additional free product removal wells strategically placed can supplement

the existing chemical oxidation system that would consist of injection wells and vacuuming to enhance the removal of wells without a long-term pump and treatment system. A majority of the contaminant mass can be eliminated using that method.

And then finally with regard to Kreher Park -- and by the way, I notice these in several of these semantics that are also shown on the plat card in the back.

This is an overview of the entire site that shows the remediation. Kreher Park, as Scott mentioned, will be walled-off completely, and what's proposed in this draft is a long-term pump and treatment system for removal of contaminated ground water after the surface barriers are installed at the park. And this consists of the areas in the coal tar dump, as I mentioned earlier, as well as an asphalt parking area over the former landfill to occupy much of the west half of Kreher Park.

What we're recommending in lieu of a pump and treatment system, in conjunction with a complete walled-off barrier, is that we would install passive reactor barrier walls, a filter

media on the west side of the park to allow ground water to passively pass through that barrier attenuating the contaminants.

This would eliminate the need for a pump and treatment system at the park. It would also eliminate the need for any kind of long-term in-situ chemical oxidation system in that shallow aquifer.

Based upon these options, which we will provide in our comments, we believe, and I have the opinion that it is far more effective to use these alternatives and not -- and most importantly, not install two long-term pump and treatment systems for the deep aquifer or for Kreher Park, which will result in long-term monitoring and treatment costs that will be borne by the repairs. Thank you.

MS. PATTI KRAUSE: Thank you. Dean Stockwell?

MR. DEAN STOCKWELL: Good evening, ladies and gentlemen. I am Dean Stockwell, S-T-O-C-K-W-E-L-L. I work for URS Corporation, and we're here on behalf of Xcel. We have a short presentation that will examine some -- or compare the Sed-4 alternative, which was part of

the RI/FS investigations, the recommendation verses the Sed-6 alternative in the PRAP.

We have already heard tonight remedial investigations that have been completed; started in '89. Lots and lots of soil and sediment samples with an interim ground water remediation that Mr. Trainor just talked about, kind of leading up to the feasibility study and the issuance of the PRAP in which six alternatives were evaluated, and the critical thing is, all of them went through the same technical evaluation process, including the balancing and the threshold criteria.

The sediment alternative, Sed-6, is the USEPA/WDNR preferred remedy and PRAP would greatly consist of a sheet pile wall out into the inner bay area, dewatering of the bay area, and then near shore excavation, approximately 200 feet of impacted materials, including wood waste. We refer to that as the dry excavation alternative.

The alternative, Sed-4 was the Xcel and URS recommended remedy presented in the RI/FS, which incorporates using proven dredging technologies throughout the entire area requiring

cleanup. It has redundant safe-guards, both adjacent to the actual dredging area, as well as to the entrance of the inner bay.

Those safe-guards include the installation of booms, protective silt curtains, innovative things like air walls and other construction methodology to maintain the sediment within the area of dredging and eliminate the spread of the sediment during the removal action. We'll refer to that as the wet dredge alternative.

Just a quick overview. It is a proven technology that utilizes standard dredging construction techniques in a lake environment. It is a safe alternative, with significantly less safety issues compared to the Sed-6 alternative. It will minimize the disruption to the residents in the city by one to two, or more years, and potentially cost 12 and-a-half to 18 and-a-half million dollars less than the Sed-6 alternative, with still achieving an equally protective, same or better results.

A couple of the safety issues. There will be a short presentation on basal heave as a potential concern with the dry excavation

alternative. Additionally, with the dry Sed-6 alternative, there will be some somewhat significant, up to 44 percent, potential receptor average concentration of benzene.

A quick air model slide that was completed, shows the Sed-4 dredging alternative in green, compared to the Sed-6 dry excavation emissions of benzene. So we can see the potential to impact a greater portion of the downtown area there, as present with the Sed-6 alternative.

From a scheduling perspective, the Sed-6 alternative will take one to two or more construction seasons, in comparison to the Sed-4 alternative, in that it requires the installation of a sheet pile wall along the outer bay, which will take a year approximately in itself to erect, and that does not account for any potential repair from ice damage that will be required.

Following the installation of the sheet pile wall, there is the dewatering operations, which could become redundant if there is ice damage that refloods the area following the winter season. All of that could unduly prolong

the remediation schedule and disrupt the activities along the lakeshore.

From an economic perspective, there have been alot of comments relative to that already tonight, and from just the RI/FS and the PRAP process, the Sed-6 alternative will cost approximately 12 and-a-half to 18 and-a-half million dollars, or 19 to 40 percent more than the Sed-4 alternative, and it's not going to buy us any greater environmental protection than the Sed-4 alternative.

This slide just shows -- the first column on the left side there, shows the mechanical dredging with no treatment, which is -- the "no treatment" might be somewhat of a misnomer in that it does include the, either the off-site disposal in there, but it shows the cost comparison and the $18 million difference, or the 40 percent or 44 percent difference than the Sed-4 verses the Sed-6 alternative.

From an environmental protection standpoint, the Sed-4 alternative is equally as protective, as it meets the same target cleanup goals as have been designated for the site, the 9.5 parts per million. It does use proven

dredging technology and construction techniques, and the wet dredging is a very appropriate method for the lake setting, and it has been approved at numerous, by the USEPA at numerous lakefront sites in the United States.

So there are multiple appropriate environmental protection measures that are employed during the dredging process to minimize the potential for redistribution of the contaminants of concern.

We have a short presentation that Hubert is going to narrate here pretty quick, plus we will follow up with the detailed written testimony and technical analysis in support of this, so thank you.

MS. PATTI KRAUSE: Thank you. Next is Hubert Huls, and if you could say your name, please.

MR. HUBERT HULS: My name is Hubert Huls, H-U-L-S. I am a professional engineer in the State of Wisconsin employed by URS on behalf of NSPW concerning sediment. This is just a brief overview of what the Alternative 4 would look like, and there is site preparations and so forth that would occur first in this process of

implementing a wet dredge alternative.

We have wood processing equipment there and areas installing the sheet pile around the Kreher Park area to contain it from re-contaminating sediment in the bay.

On this site we have the lake, the air curtain that we are using to break the waves and help contain, as well as silt curtain and oil boom to catch anything that might be released there as a secondary containment. It shows you kind of how the silt curtain and the air curtain are operated.

This part here looks at the base, you know, any de-watering operations and the stockpiling operations of the sediment after de-watering. In addition, different things would be added, to install a wastewater treatment plant in here to treat the water, because this water from the dredging water activities and then install a wood chipper for the chopping up of the wood debris and so forth that occurs in the first pass of the system.

Here we have a rake system. Again, we have the booms, oil booms, silt curtains surrounding it using a mechanical rake system

first to pull out all of the wood debris and so forth. This has been used at alot of different sites. This is kind of an idea of how to pull that wood debris out because that can be a problem.

A process flow diagram of bringing the wood debris on shore, wood chipping, and then hauling if off-site to whatever disposal option. This is the dredging operation again. We have the booms, and we also have the protection on-site. In this particular case, we are using a mechanical bucket for dredging the sediments after the wood debris has been removed, and the sediment path showing processing of the sediments to water, and then stabilization was picked here for off-site disposal in this particular option.

Water treatment then is also managed and then treated and then discharged after it meets the lake's standards. After that, basically the whole system is demobilized, the system is removed, and the final cap, or whatever, is put in place.

And that's just to give you a quick overview of our preferred alternative for dredging the site and, of course, not costing as

much as the EPA preferred alternative. Thank you.

MS. PATTI KRAUSE: Our next speaker is Frank Kellogg. And, Frank, if you could give your name and spell it, please.

MR. FRANK KELLOGG: Good evening, ladies and gentlemen. My name is Frank Kellogg, Kellogg like the cereal, K-E-L-L-O-G-G, and currently I represent DCI Environmental Company. I represent a team, a team consisting of DCI Environmental, Larry Milner from Burns McDonnell, and Mike Crystal from Sevenson Environmental.

This team particularly was assembled -- and by the way -- we're not currently on a payroll; however, our experience is what the intent is here today to deliver, and that is, collectively we had remediated and/or been on over 300 manufactured gas plant site efforts around the country and over three dozen sediment remediation sites as they pertain to manufactured gas plant waste.

With that, it is constructive input. We are not here to say exactly how to get the project done, as much as though hearing as many of our other clients, constituents, of a utility

company in which rate payers do bear the cost of these remedial efforts around the country, you are not alone.

Our mantra and our vision we are delivering here is to put together a design thought process in order to hopefully be involved in the project when the project comes to a remedial phase that consists of protection of human health and the environment, one.

Two, safety, safety of people. People outside of the project boundaries, as well as people inside of the project boundaries.

And thirdly, and equally as important, cost parameters. That as we understand, particularly today with the economic times of society, the importance of delivering the like product as to what EPA has recommended but at a lesser cost.

What I would like to do is I would like to turn it over to Mr. Larry Milner of Burns McDonnell, and he will take you through some issues followed by Mike Crystal.

MR. LARRY MILNER: Thanks again. My name is Larry Milner, M-I-L-N-E-R, of Burns McDonnell. First, what I want to talk about is

because of the artesian conditions in the Copper Falls Aquifer, calculations indicate that under dry dredge conditions, the uplift will be greater than the downward pressure at the bay area.

Now that creates a couple of issues, and those issues are -- No. 1, that free product that's been talked about earlier, will have a tendency to be pulled towards the bay. It is not a good situation.

No. 2, we will also have upwelling in the dredging area itself. And the upwelling is what we are really going to focus on right now, and we have a short animation that we want to show you that shows you what could happen under dry dredge conditions if there was upwelling and basically potential failure of the sheet pile wall.

MR. MIKE CRYSTAL: Hi. I am Mike Crystal of Seversen, C-R-Y-S-T-A-L. I am the vice president of operations with several years of experience on several sites going back over 30 years.

And sheet piling the water, our company probably started doing some of the biggest projects doing this type of work 15 years ago.

So with that, we're going to show you an animation and show you what we think is going to happen.

Basically this is just an animation showing what you have out there, where the marina is, and you talk about sheet piling. The sheet piling is these long pieces of steel. You have to realize that you are talking a single wall here that is going to be cantilevered in.

So for every section you see up, the rule of thumb is one-third up/two-thirds below. These sheets ended up being 40 or 50-foot in design. One of the problems is that they may break into the Miller Creek, which is going to give you the possible potential of upbringing.

When you talk about going into the dry, this is actually dry. This is not really what you would see, but you would see a real wet silty material. Here you can see the break-through that could happen. There is a big possibility of failure in this wall.

We have done probably six months review on, you know, the constructability and cost estimating. A single wall here will not work, and what we're concerned about is, I don't think

you will get to the ice. You are going to have wave action and force from the Great Lakes.

Has anybody ever seen six or eight-foot waves out there? I mean that could be putting alot of force on there, and we have had engineering companies look at this from a feasibility, constructability standpoint. I don't think you can get a wall in that will hold the force.

The other thing is in the EPA proposed plan, you have to look at the debris and the level of effort. Driving a sheet into the ground may be one thing, you know, but driving it through wood and debris, you know, there will be alot of debris removal, containment. And what we think is under this EPA preferred method that you are talking right now, a cost difference that could be in the $10 million to $20 million range, but that could be off by a factor of as much as two. So it is not just a cost to us.

You have two or three things that you should look at in this scenario. One is if we drive a sheet down, if we go through that protective barrier, you know, is that going to be a pathway if it is mobilized for it to come into

the bay?

The second thing is looking at the forces involved, even if you are 200 feet off, or whatever, that you are going to have with waves and wind action, ice, this stuff will have to be pulled every fall and be reinstalled.

So the project the way it was set up and the way we understood it, you know, it is going to be alot longer and it is going to be alot more expensive.

MR. LARRY MILNER: You might think we are just kind of speculating on this, but we do have a couple of pictures that we want to show you. This is an excavation over in Dubai, near the marina, and you can see down in the corner over here, you can see the water breaking through the wall, and I am going to just show you what can happen.

You can see water coming in, and then all of a sudden, wall failure. I mean, these things do happen, you know, it is not unrealistic. We really think that you are going to have problems with this single sheet wall. So we think the cost to really do it right, we believe is going to be alot more than what is in

the FS right now.

The next picture here is one that kind of shows a little bit of an upwelling. This is an NVP site in Chicago, near the Chicago River.

If you can see this before, where we dug down, left that night, came back, and when we came back in, water had started to fill up in the excavation. And by the time it was roughly around noon, you can see the equipment completely flooded. Now this was being done in a small dam area, so we were able to come back in and deal with that with pumping and stuff.

But just imagine if you have upwelling in a 12 to 14-acre area, you are not going to be able to de-water that. In this case we were able to do it, but in a case like here, it is not going to work.

Frank, do you want to close it?

MR. FRANK KELLOGG: The good news is that as specified, the current thought behind the FS wall design is fixable, but it is fixable at anywhere between a 15 to 25 million dollar delta at the end of the day.

However, we do currently believe that what we can achieve in the wet dredging

application is achievable. The wall is fixable. The upheaval is an unknown. And nobody could look at us in the field, going out and employing the work, with a straight face and say: That upheaval will not occur.

So with that, consideration of the final remedy, protection of human health and the environment -- again, to reiterate my thought. I thought I covered it.

That wall is fixable. The upheaval in our opinion currently is not fixable. We are here to say that at the end of the day through our vast experience in manufactured gas plant site remediations around the country, coupled with our sediment experience, when working within tar, the end goal is of achievability of protection of human health and the environment, of safety, you know.

Mr. Trainor spoke briefly, and I believe the gentleman from URS did as well, about odor issues. That coupled with the fact that we can achieve that end point in a wet dredge application should certainly be considered, but equally said, our primary goal as we have talked collectively amongst the team, was if this

project comes forward in the current state of an FS, we consider ourselves to be one of the top collective teams with the most experience, would we propose on a current FS design?

The answer quite candidly is no, because we are equally -- what is more important than the money, is certainly the safety of all people involved in the job, and at the end of the day if we can deliver the product at a cost that is considerably less than what a dry dredge application would be, that should be the name of the game here. At the end of the day, not including the fact that you are looking at about a two-year delta from wet to dry at the same time and project duration.

Thank you very much.

MS. PATTI KRAUSE: Thank you. And Rich Weber. That's our last comment tonight. He signed up. Rich?

MR. RICH WEBER: I decline.

MS. PATTI KRAUSE: Oh, you decline?

MR. RICH WEBER: Yes.

MS. PATTI KRAUSE: Anybody else?

THE AUDIENCE: (No response.)

MS. PATTI KRAUSE: Well, thank you,

everybody. Thanks again for coming out tonight. We want you to know that community involvement will continue after the final cleanup plan is selected. I have some information, some handouts for anybody with community interest. If they are interested, I am here to talk to you in the back after the meeting.

Do you have a question?

MR. LOWELL MILLER: Yes, I have one final question.

Who will make the final decision on this cleanup -- oh, my name is Lowell Miller -- I am sorry. Who will make the final decision on the cleanup?

MR. CRAIG MELODIA: USEPA.

MR. LOWELL MILLER: USEPA?

MR. CRAIG MELODIA: USEPA and it is Region 5.

MR. LOWELL MILLER: So they will make the decision in Washington DC?

MR. CRAIG MELODIA: No. The Region 5's office is located in Chicago, and it is the Superfund Section actually that selects the remedy.

MR. LOWELL MILLER: It is EPA, not

Superfund; right?

MR. CRAIG MELODIA: Right.

MR. LOWELL MILLER: Thank you.

MS. PATTI KRAUSE: Thank you very much. Thank you for coming out tonight.

(Whereupon, the hearing concluded at or about 8:30 p.m.)

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C-E-R-T-I-F-I-C-A-T-E

I, Susan K. Edwards, a Notary Public, do hereby certify that on the 29th day of June, 2009, there came before me the above hearing; that I took down in shorthand, correctly, the proceedings and have caused the same to be transcribed into typewriting; that the foregoing pages constitute a true and correct transcript of all of the proceedings had on the taking of said hearing.

I further certify that I am not related in any way to any party, their attorney, or an employee of any of them, and that I am not financially interested in the action.

I also certify that on this date said document was delivered to MS. CHERYL VACCARELLO, Tetra Tech, EM Inc., 1 S. Wacker Drive, 37th Floor, Chicago, IL 60606.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of July, 2009.

Susan K. Edwards

SUSAN K. EDWARDS
Court Reporter

(SEAL)